

## 2.0 Current Status of HMP Preserve

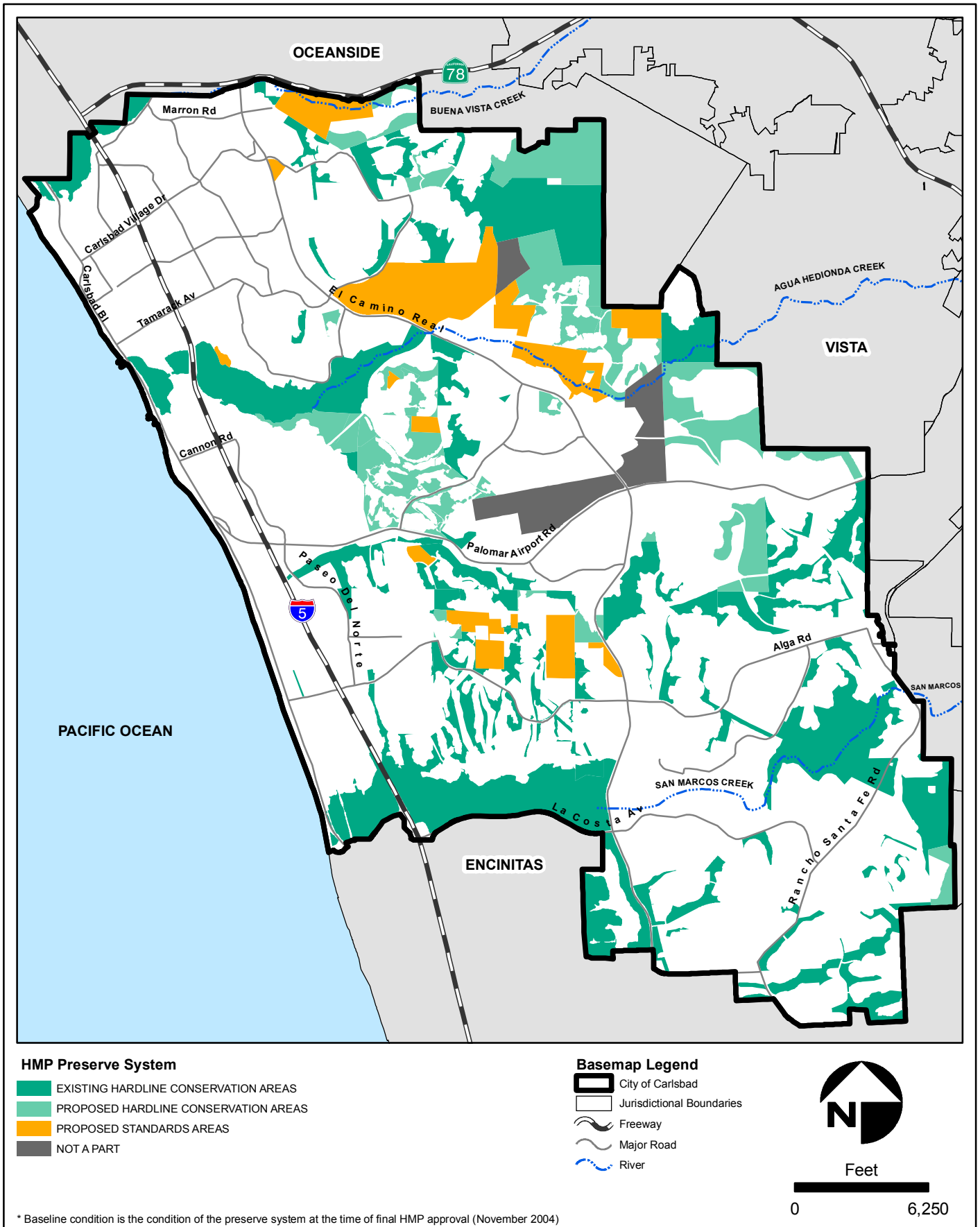
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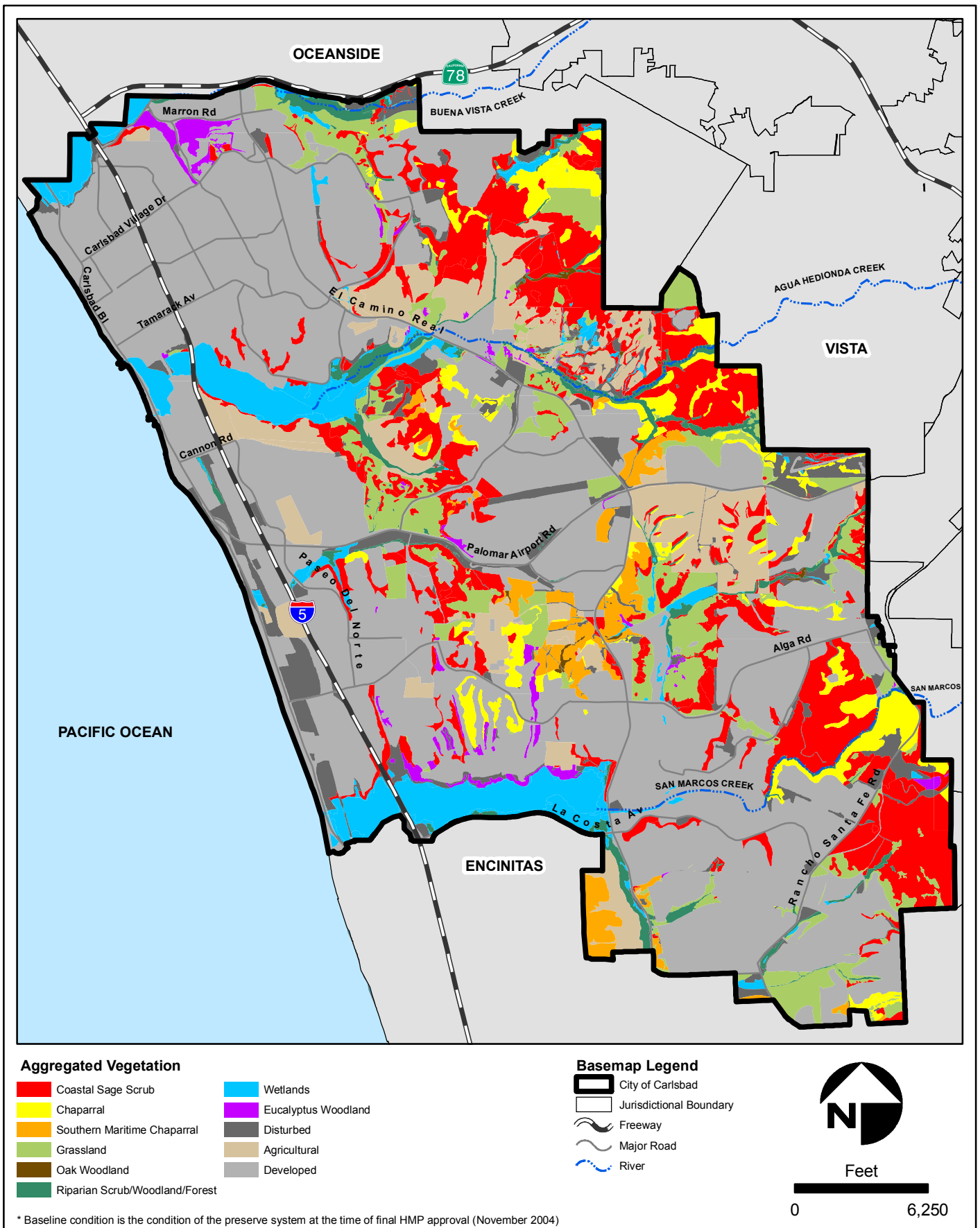
### 2.1 Baseline Conditions

The initial condition of the HMP Preserve System serves as the baseline to which all subsequent preserve data will be compared (Figure 2). The baseline is defined as the condition of the Preserve System at the time of final HMP approval (November 2004). The Preserve System consists of the following elements: (a) lands already conserved and protected (Existing Hardline areas), (b) lands that were part of existing and future development projects that were proposed for conservation (Proposed Hardline areas), and (c) undeveloped properties considered important for preserve integrity and connectivity (Standards areas). These three elements were assembled using the following criteria:

- Large, contiguous blocks of high quality habitat;
- Effective habitat linkages and wildlife movement corridors; and
- Lands containing special resources, such as vernal pools or narrow endemic species that may not be contiguous with the rest of the preserve (Special Resource Areas).

The baseline acreages of each vegetation type, which were taken from HMP Table 8, are given in Table 1 and shown in Figure 3. Baseline acreages of Existing and Proposed Hardline areas are known because these preserve areas were pre-existing or pre-negotiated. Except for very minor adjustments due to more detailed project-level mapping, boundaries of the Existing Hardline areas should not change. Boundaries of the Proposed Hardline areas could change as projects become finalized; however, if this happens, an Equivalency Finding must be processed to ensure that, overall, no additional acreage will be removed from the preserve (HMP p. E-3). The preserve area boundaries for Standards areas, on the other hand, had not been negotiated at the time of final HMP approval. As such, in order to protect the sensitive resources in these areas (e.g. wildlife movement corridors, wetlands, rare vegetation types, gnatcatcher-occupied coastal sage scrub, etc.), preservation standards were developed as a condition of project approval. The Standards area acreages given in Table 1 are estimates. These estimates were made by (1) overlaying the MHCP vegetation communities GIS layer with the boundaries of the HMP Standards areas, (2) calculating total number of acres of each habitat type within the Standards areas in each Local Facility Management Zone (LFMZ; developed as part of the City's Growth Management Program), and (3) applying the zone-specific standards, using the assumption that all allowable take would occur.





**Table 1. Baseline Conditions of the HMP Preserve System**

| <b>Vegetation Community</b>                | <b>Existing Hardline (Acres)</b> | <b>Proposed Hardline (Acres)</b> | <b>Standards Areas Estimate (Acres)<sup>1</sup></b> | <b>Total Estimated Acres Conserved<sup>1</sup></b> |
|--|----------------------------------|----------------------------------|---|--|
| Coastal Sage Scrub                         | 1,281                            | 585                              | 273   | 2,139  |
| Chaparral                                  | 492                              | 168                              | 16  | 676  |
| Southern Maritime Chaparral                | 255                              | 33                               | 54  | 342  |
| Oak Woodland                               | 4                                | 12                               | 8   | 24   |
| Riparian                                   | 269                              | 115                              | 110   | 494  |
| Marsh                                      | 1,141                            | 73                               | 38  | 1,252  |
| Grassland                                  | 401                              | 252                              | 54  | 707  |
| Eucalyptus Woodland                        | 96                               | 3                                | 0   | 99   |
| Additional Conservation on Disturbed Lands | 514                              | 231                              | N/A   | 745  |
| CAGN Core Area                             | 308                              | N/A                              | N/A   | 308  |
| <b>Total Conservation</b>                  | <b>4,761<sup>2</sup></b>         | <b>1,472<sup>2</sup></b>         | <b>553<sup>2</sup></b>                              | <b>6,786<sup>2</sup></b>                           |

Source: HMP Table 8

<sup>1</sup> At build-out

<sup>2</sup> When reviewing this table it is important to keep in mind that (a) “baseline” defined in this section is different than “baseline” as defined for Habitak (Section 3.1.2), and (b) Habitak is based on more accurate data; therefore conservation acreages may differ slightly.

### **Limitations of Baseline Data**

It is important to understand the limitations of the baseline data when tracking the progress of preserve assembly and its condition. At the time the HMP was finalized, the GIS capabilities and accuracy of spatial data, such as the boundaries of the different vegetation communities and parcel lines, were somewhat rudimentary. It was understood by the City and the Wildlife Agencies that the boundaries and acreages of natural habitat may change as more accurate data become available. The source of the HMP baseline vegetation data is the GIS layer that was used for the MHCP subregional plan. Much of this mapping was done at a regional scale, and it may differ from current preserve or project-level field mapping which has been ground-truthed. In addition, current parcel boundary data are much more accurate today than was available in 2004. Using the San Diego MSCP, a HCP/NCCP plan in southwestern San Diego County (City of San Diego

1997), as a model, it was determined that the baseline condition must be a fixed target when tracking gains and losses, and therefore, the following assumptions were used:

- The baseline condition will be taken from the final HMP as a snapshot in time.
- The Existing Hardline and Proposed Hardline area boundaries that were approved in the final HMP will be included in the baseline condition, as they were pre-existing or pre-negotiated for conservation.
- Gains and losses in the Standards areas will be calculated as projects in these areas are developed. To track the gains/losses in Habitrak, the date of habitat gain/loss within a property will be the date of grading permit approval because (a) the grading permit is easy to track and (b) HMP consistency is a condition of approval for the grading permit.
- Gain (preserved) and loss (developed) boundaries will be taken from the Final Map and other individual project-related documents, such as boundaries of the Conservation Easement and grading plans.
- Tracking habitat gains and losses will be conducted using Habitrak; this tracking will assist the Preserve Steward in monitoring for HMP compliance.
- Because the City is nearing build-out, the majority of gains and losses in the Preserve System will be the result of development projects that are located within the Standards areas. Additional gains could come from land acquired from willing sellers within the Focused Planning Area (FPA; lands of high biological value that are considered for conservation as part of the HMP).
- Preserve System information, such as parcel and preserve boundaries, detailed field mapping, and rectification with aerial maps, will be kept current by the City in a HMP Preserve System database, and updated at least annually.

## **2.2 Current Status**

### **2.2.1 Covered Species**

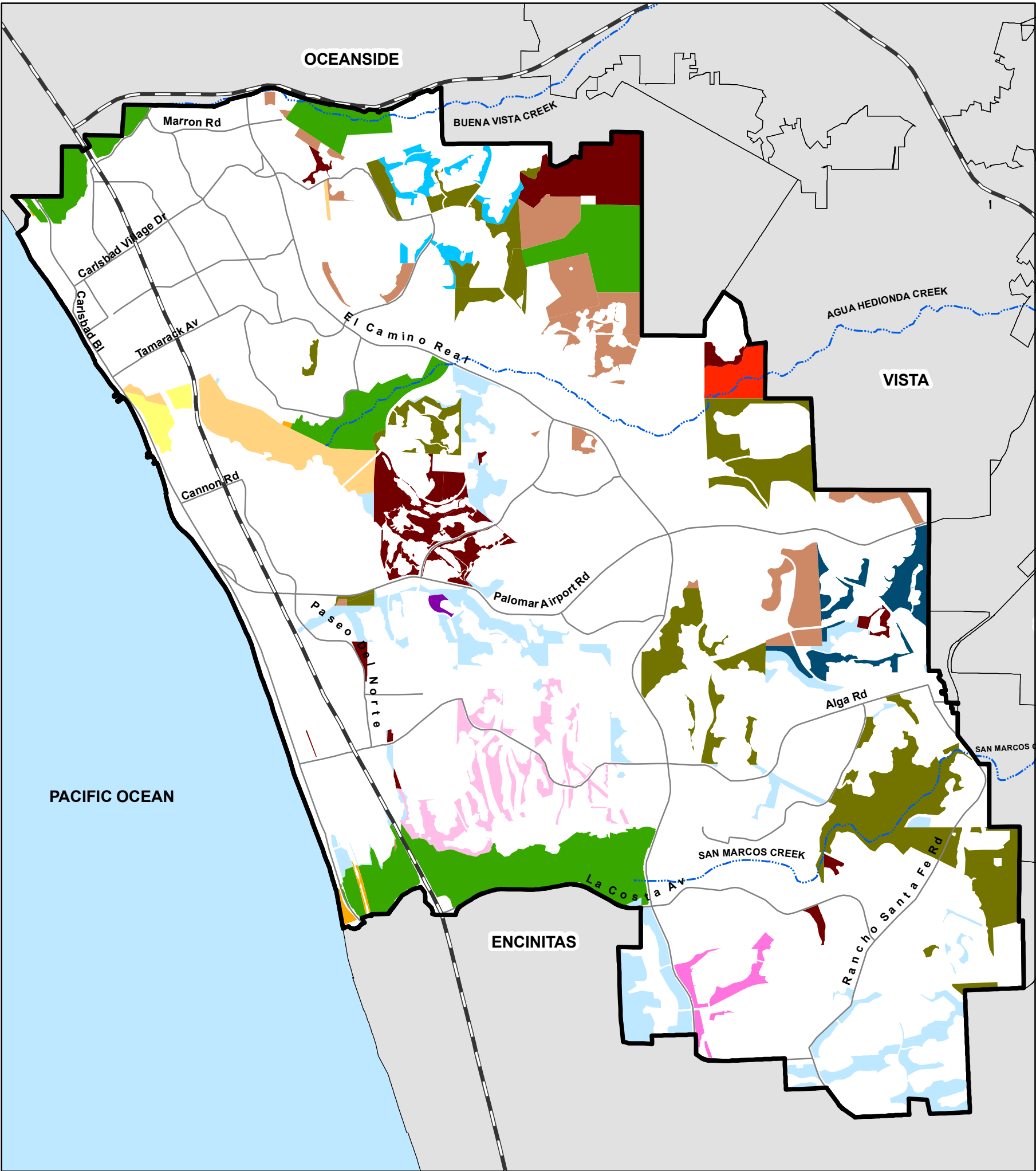
The HMP currently covers a total of 25 species, including 6 plants, and 19 wildlife species (Table 2). Brodiaea coverage was granted by the Agencies through a minor amendment December 2, 2005.

**Table 2. Species Covered by the HMP**

| <b>Common Name</b>             | <b>Scientific Name</b>                             |
|--------------------------------|--|
| <b>Plants</b>                  |  |
| Bochman's Dudleya              | <i>Dudleya blochmaniae</i> spp. <i>blochmaniae</i> |
| Cliff Spurge                   | <i>Euphorbia misera</i>                            |
| Nuttall's Scrub Oak            | <i>Quercus dumosa</i>                              |
| Orcutt's Hazardia              | <i>Hazardia orcuttii</i>                           |
| Orcutt's Spineflower           | <i>Chorizanthe orcuttiana</i>                      |
| Thread-leaved Brodiaea         | <i>Brodiaea filifolia</i>                          |
| <b>Invertebrates</b>           |  |
| Harbison's Dun Skipper         | <i>Euphyes vestries harbisoni</i>                  |
| Salt Marsh Skipper             | <i>Panoquina errans</i>                            |
| <b>Amphibians/Reptiles</b>     |  |
| Orange-throated Whiptail       | <i>Aspidoscelis hyperythrus</i>                    |
| <b>Birds</b>                   |  |
| American Peregrine Falcon      | <i>Falco peregrinus anatum</i>                     |
| Belding's Savannah Sparrow     | <i>Passerculus sandwichensis beldingi</i>          |
| California Brown Pelican       | <i>Pelecanus occidentalis californicus</i>         |
| California Least Tern          | <i>Sterna antillarum browni</i>                    |
| California Gnatcatcher         | <i>Polioptila californica californica</i>          |
| Cooper's Hawk                  | <i>Accipiter cooperi</i>                           |
| Elegant tern                   | <i>Sterna elegans</i>                              |
| Large-billed Savannah Sparrow  | <i>Passerculus sandwichensis rostratus</i>         |
| Least Bell's Vireo             | <i>Vireo bellii pusillus</i>                       |
| Light-footed Clapper Rail      | <i>Rallus longirostris levipes</i>                 |
| Osprey                         | <i>Pandion haliaetus</i>                           |
| Rufous-crowned Sparrow         | <i>Aimophila ruficeps canescens</i>                |
| Southwestern Willow Flycatcher | <i>Empidonax traillii extimus</i>                  |
| Western Snowy Plover           | <i>Charadrius alexandrinus nivosus</i>             |
| White-faced Ibis               | <i>Plegadis chihi</i>                              |
| Yellow-breasted Chat           | <i>Icteria virens</i>                              |

### 2.2.1 Individual Preserves

The current status of individual preserves within the HMP Preserve System is given in Tables 3-6, including the primary preserve management entity, underlying landowner, overall acreage, and status of Conservation Easement, endowment, preserve management plan, and annual reports, where applicable. Preserve locations are shown in Figure 4. The preserves have been grouped according to management status and type of ownership, which have been determined in the HMP.



Legend

City of Carlsbad

- City of Carlsbad Preserves
  - Batiquitos Drive
  - Carlsbad Drive
  - Carlsbad Village
  - Carrillo Ranch
  - La Costa Canyon Park
  - La Costa/Romero
  - Lagoon Lane
  - Lake Calavera
  - Los Monos
  - Macario Canyon
  - Municipal Golf Course
  - Poinsettia Park
  - Poinsettia Lane Vernal Pools
  - Research Center
  - Veteran's Memorial Park

Other Public/Sem-Public

- Cabrillo Power
- SDG&E
- Other Public Agencies
  - North San Diego County Transit
  - San Dieguito union High School
  - State of California

Wildlife Agencies

- California Department of Fish and Game
  - Agua Hedionda Ecological Reserve
  - Batiquitos Ecological reserve
  - Buena Vista Ecological Reserve
  - Carlsbad Highlands Ecological Reserve
  - Buena Vista Ecological Reserve (aka. Sherman Property)

University of California Reserve System

- University of California Reserve System
  - Dawson - Los Monos Canyon Reserve

Conservation Management Entity

- Center for Natural Lands Management
  - Calavera Hills Phase II
  - Carlsbad Oaks North
  - Kelly Ranch
  - North County Habitat Bank
  - Rancho La Costa
  - Robertson Ranch East Village

- Helix Community Conservancy
  - Emerald Point Estates

Other Entities (Pending or Unknown)

- Management Under Negotiation
  - Batiquitos Lagoon Parcel
  - Bressi Ranch
  - Brodiaea Preserve
  - Calavera Heights Mitigation Site
  - Cantarini/Holly Springs
  - Carlsbad Raceway
  - Encinitas Wetlands
  - Fox Miller Brodiaea Site
  - Summit

Private

- Arroyo La Costa Master HOA
- Aviara HOAs
- Calavera Hills Phase I HOAs
- Rancho Carrillo Master HOA
- Other HOAs and Private Open Space

Basemap Legend

- City of Carlsbad
- Jurisdictional Boundary
- Freeway
- Major Road
- River



Feet

0 4,750

Table 3 includes all Ecological Reserves that are owned by CDFG. Ecological Reserves in existence prior to the HMP (Existing Hardline areas) require management to HMP standards pursuant to available funding. These reserves will be funded and managed according to the pre-existing management and funding structure (e.g. independent management entity and endowment are not required). Ecological Reserves acquired after the HMP may include a non-wasting endowment and management contract with a non-CDFG preserve manager.

**Table 3. Current Status of Ecological Reserves within the HMP Preserve System**

| <b>Preserve / Project Name</b>                                       | <b>Acres</b> | <b>Land Owner</b> | <b>PM<sup>1, 2</sup></b> | <b>PMP<sup>1</sup></b> | <b>Annual Reports</b> |
|--|--------------|-------------------|--------------------------|------------------------|-----------------------|
| Agua Hedionda Lagoon Ecol. Reserve                                   | 195          | CDFG              | CDFG                     | None                   | None                  |
| Batiquitos Lagoon Ecological Reserve                                 | 621          | CDFG              | CDFG                     | 1999                   | None                  |
| Buena Vista Ecological Reserve                                       | 139          | CDFG              | CDFG                     | None                   | None                  |
| Buena Vista Creek Ecological Reserve (Sherman Property) <sup>3</sup> | 134          | CDFG              | (CNLM)                   | None                   | Due in 2008           |
| Carlsbad Highlands Ecological Reserve                                | 293          | CDFG              | CDFG                     | None                   | None                  |

<sup>1</sup> Abbreviations: PM – Preserve Manager; PMP – Preserve Management Plan

<sup>2</sup> Preserve Manager names in parentheses indicate that the management contract is currently under negotiation

<sup>3</sup> The Sherman Property was acquired by CDFG in March 2007. CDFG is negotiating a management agreement with CNLM; the Property Analysis Record (PAR) is pending. A non-wasting endowment for permanent management was established in April 2007.

The other pre-HMP preserves (Existing Hardline areas) include the areas in or near Agua Hedionda Lagoon that are owned by Cabrillo Power and SDG&E, UCSD-owned Dawson-Los Monos Reserve, TET bankruptcy properties, and HOA lands that were in existence prior to the planning for the HMP (Table 4). The HMP requires that these lands be managed according to pre-existing levels of management (e.g. Level 1 -Property Management, see Section 3.2.2), which will be increased to Level 3 – Species Monitoring and Management if regional funding becomes available. Pursuant to the HMP, pre-existing privately-owned preserve areas do not require PMPs or annual reports unless funded by a regional funding source. The level of management required for TET properties is limited to the extent of the prior management funding that is attached to the properties until a regional or other funding source becomes available. Note that the currently available Existing Hardline data exists as a single GIS layer for HOA properties. As such, acreages for individual HOA properties are not available at this time, but will be calculated during subsequent mapping updates.



**Table 4. Other Pre-Existing Preserves**

| <b>Preserve<sup>1</sup></b>  | <b>Acres</b>         | <b>Land Owner<sup>2</sup></b>   | <b>PM<sup>3</sup></b> |
|--|----------------------|---------------------------------|-----------------------|
| Agua Hedionda –Cabrillo Power <sup>3</sup>                           | 73.2                 | Cabrillo Power                  | Cabrillo Power        |
| Agua Hedionda –SDG&E   | 280.2                | SDG&E                           | SDG&E                 |
| Arroyo La Costa  | Unknown <sup>4</sup> | HOA                             | HOA                   |
| Aviara Conservation Area   | Unknown <sup>4</sup> | HOA                             | HOA                   |
| Batiquitos Lagoon Parcel   | 1.5                  | Previously TET <sup>5</sup>     | (CDFG)                |
| Brodiaea Preserve  | 1                    | Previously TET <sup>5</sup>     | (CDFG or City?)       |
| Calavera Heights Mitigation Parcel<br>(aka Calavera Nature Preserve) | 110                  | Previously TET <sup>5</sup>     | (CDFG)                |
| Calavera Hills Phase I   | 120                  | HOA                             | HOA                   |
| Dawson-Los Monos Reserve <sup>6</sup>                                | 106                  | UCSD                            | UCSD                  |
| Encinitas Wetlands <sup>7</sup>                                      | 19                   | Previously TET <sup>5</sup>     | (CNLM)                |
| Rancho Carrillo Conservation Area                                    | 204                  | Continental Residential Inc.    | HOA                   |
| Shelley Preserve   | 52                   | Fair Oaks Valley LLC            | HOA                   |
| Special Resource Area 3:<br>Encinitas Creek                          | Unknown <sup>4</sup> | Multiple HOAs                   | HOAs<br>(Level 1)     |
| Summit (aka Kelly-Bartman)   | 10.4                 | Carlsbad Apts. LLC <sup>5</sup> | (CDFG or HCC?)        |

<sup>1</sup> Pursuant to the HMP, pre-existing privately-owned preserves do not require preserve management plans or annual reports unless funded by a regional funding source. TET properties *may* require PMPs and annual reports once ownership and management issues have been resolved.

<sup>2</sup> Abbreviations: HCC = Helix Community Conservancy; HOA = Home Owner's Association; PM – Preserve Manager; TET = The Environmental Trust; UCSD = University of California at San Diego.

<sup>3</sup> Preserve Managers in parentheses indicate that the management contract is currently under negotiation.

<sup>4</sup> GIS data for pre-existing HOA properties (which are Existing Hardline areas) are contained in a single GIS layer; therefore, acreages for individual properties are currently unknown, but will be calculated during subsequent mapping updates.

<sup>5</sup> TET bankruptcy property. Ownership and management under negotiation. In general, TET properties have no endowment (due to bankruptcy) or have an endowment that is too small to adequately manage the property.

<sup>6</sup> Located partially in City of Vista.

<sup>7</sup> Conservation easement to be managed by CNLM, who manages adjacent No. County Habitat Bank. no credits will be sold from this property.

Table 5 shows City-owned preserves, for which ongoing management will be continuously funded through the City's annual budget appropriation process. City preserves require permanent Level 3 management (see Section 3.2.2), a preserve management plan, and annual reports. Center for Natural Lands Management has prepared a PAR and PMP (described below), which are under City review and are expected to be finalized (including Wildlife Agency approval) by mid 2008. This would fulfill the City's obligation to manage the Lake Calavera Mitigation Parcel and other City owned lands as described in the HMP and Implementing Agreement.

**Table 5. City-Owned Preserves and Mitigation Parcel**

| <b>Preserve / Project Name</b>  | <b>Acres</b> |
|---------------------------------|--------------|
| Batiquitos Drive                | 2.7          |
| Carlsbad Village                | 12.6         |
| Carrillo Ranch                  | 16.6         |
| La Costa Canyon Park            | 8.9          |
| La Costa /Romero                | 12.9         |
| Lagoon Lane                     | 2.7          |
| Lake Calavera Mitigation Parcel | 266          |
| Los Monos                       | 20.5         |
| Macario Canyon                  | 33           |
| Municipal Golf Course           | 198          |
| Poinsettia Park                 | 12.5         |
| Research Center                 | 2.8          |
| Veterans Park                   | 21           |
| <b>Total Acres</b>              | <b>600.2</b> |

Table 6 shows all project-related preserves. Projects that mitigated impacts through an in-lieu mitigation fee rather than land preservation are not included in this table. It is useful to understand all of the steps involved in land conservation within the Preserve System (e.g. management to HMP standards), because it can take several years after a project is approved to finalize protection and management of a project-related preserve. Projects that were approved after the 1999 draft of the HMP, but prior to final approval of the revised HMP (November 2004), were conditioned to comply with the land preservation requirements; however, due to difficulties in processing Conservation Easements and/or securing a Preserve Manager, some of these “pre-HMP” projects were allowed to grade prior to completion of all preservation-related conditions, deferring the Conservation Easement recordation and other provisions to building permit issuance or Certificate of Occupancy. Currently (since November 2004), as a condition of final project approval, the following steps must be taken by the landowner or developer before a grading permit will be issued by the City:

- Preparation of a Property Analysis Record (PAR) to assess the initial start up costs and costs of management and monitoring of the preserve in perpetuity.
- Preparation of an area-specific Preserve Management Plan (PMP) to ensure adequate management and monitoring of biological resources within individual preserve (i.e., the open space parcel that will become part of the HMP Preserve System).

**Table 6. Project-Related Preserves**

| Preserve / Project Name  | Acres        | Grading Permit   | PAR <sup>1</sup> | Endwmt <sup>1</sup> | CE <sup>1</sup> | Land Owner                    | PM <sup>1, 2</sup> | PMP <sup>1</sup> | Annual Reports | Comments   |
|--|--------------|------------------|------------------|---------------------|-----------------|-------------------------------|--------------------|------------------|----------------|--|
| Bressi Ranch   | 153.7        | Jan-03           | Pending          | Pending             | Pending         | Bressi Gardenlane             | (HCC)              | Jul-05           | None           | PAR under negotiation; 1st PAR Aug-05; 2nd PAR Jul-06, 3rd PAR Mar -07   |
| Calavera Hills Phase II (Calavera West or Calavera Heights)                              | 133          | 2002             | 2006             | May-06*             | May-06          | Calavera Hills HOA            | CNLM               | 2002             | 2006           | *CNLM merged funds with Robertson Ranch East to for cost savings since client uses CNLM for both projects.   |
| Cantarini/Holly Springs  | 115          | No               | Pending          | No                  | No              | Benteq/Bentley-Monarch        | (HCC)              | None             | None           | Cost estimate Jul-05; under review   |
| Carlsbad Oaks North Habitat Conserv. Area  | 327          | 11/12/04         | 2006             | Jun-06              | Nov-05          | CNLM, County                  | CNLM               | 2006             | 2005-2006      |  |
| Carlsbad Raceway   | 48.9         | Jan-03           | Pending          | Pending             | Pending         | H.G. Fenton                   | (HCC)              | None             | None           | Under review: cost est: Dec-05; CE Sep-06; PM Nov-06.  |
| Emerald Pointe Estates   | 10           | 3/21/06          | Feb-06           | 12/12/06            | Feb-06          | Saddleview LLC                | HCC                | None             | None           | CE to be recorded; escrow not started.   |
| Encinas Creek (Biltmore)   | 8            | No               | Pending          | Pending             | Pending         | Ascent Biltmore Clsbad, LLC   | (HCC)              | Jan-06           | None           | 1st PAR Mar/06; under review   |
| Kelly Ranch HCA  | 63           | 2003             | 2002             | Feb-02              | Feb-02          | multiple                      | CNLM               | 2002             | 2002-06        |  |
| Moonstone (aka. La Costa Village Center Townhomes; Levatino)                             | 8            | No               | Pending          | Pending             | Pending         | Barratt American              | (HCC)              | Pending          | None           | Under review: PAR Aug-06, Sep-06, Dec-06, Sept-07. CE Dec-06, Sept-07. PM Dec-06, Sept-07.   |
| N. County Habitat Bank   | 18.7         | N/A <sup>1</sup> | 5/24/07          | Pending             | Pending         | Westmark Dvp                  | CNLM               | 2006             | None           | Pre-existing; no grading permit required.  |
| Palomar Pointe/Hieatt  | See comments | 2/03/05          | Date unknown     | No                  | No              | Larry Jet; Lanikai Mgmt Group | Helix              | 2005             | None           | Offsite mitigation (8.7) at Whelan Ranch, 16.8 ac creation. Financial guarantee: Mgmt is contracted out and paid for by landowner (L. Jett).   |
| Rancho La Costa (La Costa Villages)  | 1,026        | 3/31/04          | 2001             | 2002 and 2003       | Pending         | CNLM                          | CNLM               | 2006             | 2002-2006      | Includes the CAGN Core Area parcels outside of the City limits.  |
| Robertson Ranch East   | 67           | 1/16/07          | Feb-07           | 2/6/07              | 2/6/07          | Calavera Hills II LLC         | CNLM               | 2006             | None           | *CNLM merged funds with Calavera Hills Phase II for cost savings since client uses CNLM for both projects.   |
| Special Resource Area 1: Fox Miller Brodiaea site  | 18.1         | 12/28/05         | Pending          | Pending             | Pending         | HG. Fenton                    | (HCC)              | Nov-05           | None           | Mitigation for Fox-Miller project impacts: preservation, relocation, and revegetation. Cost estimate under review (June-05; Oct-05; Nov-05; Dec/05).   |
| Special Resource Area 2 <sup>4</sup> : Poinsettia Ln Vernal Pools (includes Water's End) | 3.1          | 5/15/02          | No               | Yes                 | 1994            | NCTD <sup>1</sup> and HOA     | undetermined       | None             | None           | Vernal pools in NCTD right-of-way. \$50,000 paid by NCTD, held by CDFG for management. Watershed buffer mitigation fee of \$100,000 paid by Water's End, held by City. No preserve manager has been established. |

<sup>1</sup> Abbreviations: PAR – Property Analysis Record; Endwmt – endowment; CE – Conservation Easement; PM – Preserve Manager; PMP – Preserve Management Plan; NCTD = North County Transit District; N/A Not applicable

<sup>2</sup> Preserve Manager names in parentheses indicate that the management contract is currently under negotiation.

<sup>3</sup> In general, TET properties have no endowment (due to bankruptcy) or have an endowment that is too small to adequately manage the property

- Establishment of a non-wasting endowment to provide adequate funds for preserve management in perpetuity.
- Establishment of a Conservation Easement on the preserve.
- Procurement of a Preserve Manager for the preserve whose qualifications are consistent with Wildlife Agency guidelines.

All of these items must be approved by the City to ensure consistency with the MHCP, HMP, and OSMP (i.e., the subarea framework management plan, which is described below); to ensure adequate funding; and to ensure that the Preserve Manager has the appropriate qualifications. For clarification, an explanation of each column heading in Table 6 is given below.

Acres. Total number of acres (according to the HMP GIS database) of a given preserve.

Grading Permit. Because all HMP requirements must be met as a condition of project approval, the grading permit date for a given project is used as the date of habitat gain (preserve) and loss (development). Grading permits are not applicable for pre-existing preserves or for preserve acquisitions that are not related to a development project.

Property Analysis Record (PAR). Cost analysis software developed to estimate the cost of managing a preserve based on user-defined parameters. It allows an objective cost/benefit analysis for each line item as a contribution to the success of the HMP, and adjusts for inflation.

Endowment. The date that a non-wasting endowment, held by a third party, was established for a given preserve. Pre-HMP project-related preserves generally did not require management endowments, unless specified in previously negotiated environmental documentation. With the exception of the Sherman Property, preserves owned and managed by CDFG are managed with funds from the Department's operating budget. City-owned preserves will be managed with funds from the General Budget, which were approved by the City Council as for the 07/08 fiscal year. Dawson-Los Monos Reserve will continue to be funded through the University of California Reserve System. Properties previously managed by TET and any associated endowment funds are being released through bankruptcy court. Only a portion of the original endowments remain available for management and monitoring.

Conservation Easement. (see also definition pursuant to California Civil Code Section 815.1 contained on page 6 of this report) A restriction placed on a piece of property to

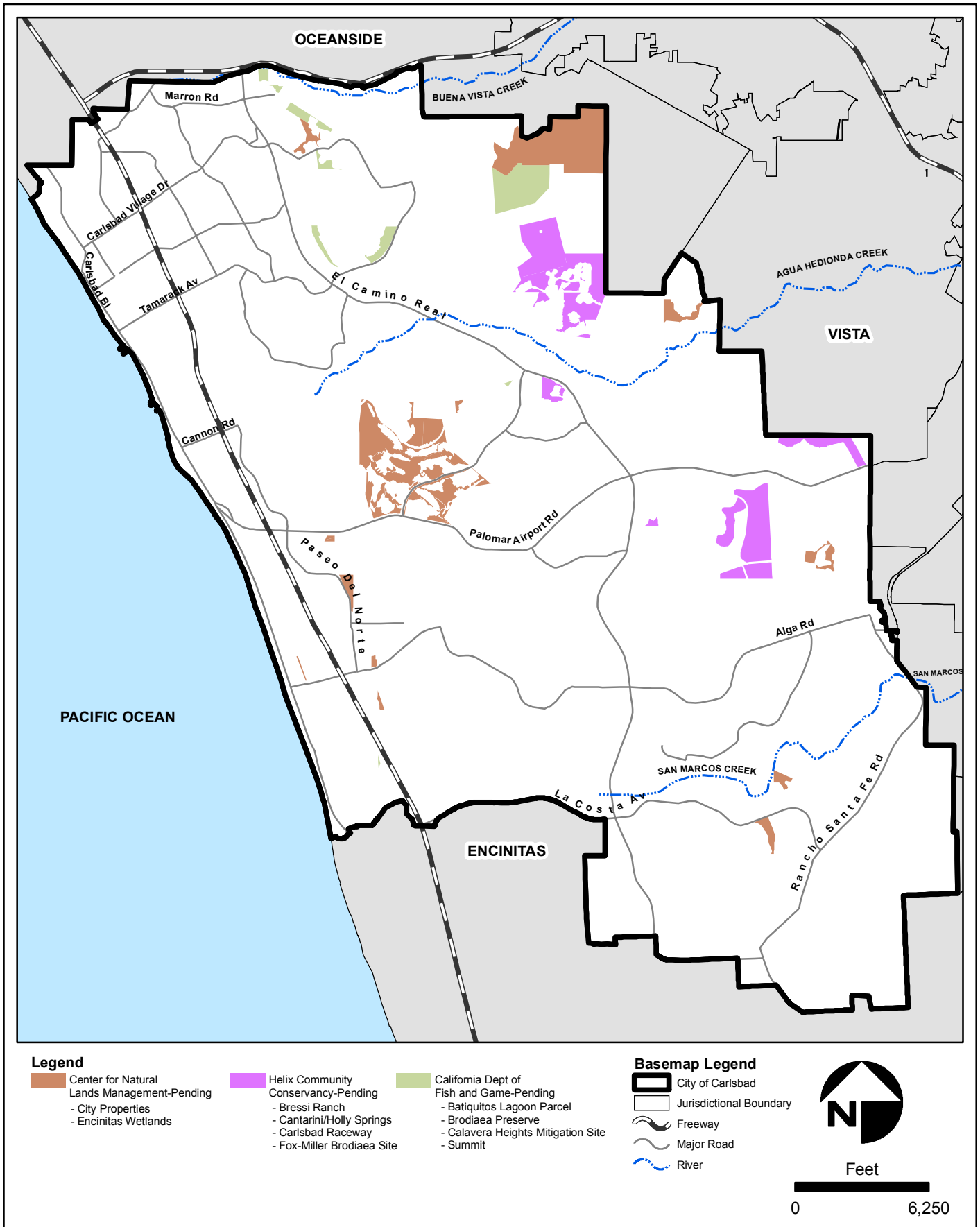
protect its natural open space values pursuant to the HMP. It is a legally binding agreement that limits certain types of uses, mandates HMP-level management and monitoring, and prevents future development. Pre-existing preserves generally do not have Conservation Easements placed over the property; however, all lands within the Preserve System are protected as Open Space within the City's General Plan and through Open Space zoning. Special provisions have been developed for Natural Habitat (a specific type of Open Space), which further restricts uses and prohibits development. Because of concerns with liability issues among Grantors, Grantees, and Third Parties, some Conservation Easement negotiations have taken more than two years, resulting in a bottleneck to finalizing the establishment of new preserves.

Landowner. The landowner owns the land through fee-title. The landowner has the ultimate responsibility to ensure that preserve management is secured prior to habitat impacts. Often, the management responsibility is contracted to a third party.

Preserve Manager (PM). The entity responsible for monitoring and managing a preserve. Figure 4 shows the current management entity and location of each preserve. The majority of preserve lands are owned/managed by the City, California Department of Fish and Game (CDFG), University of California at San Diego (UCSD), Aviara Master Home Owner's Association (HOA), Rancho Carrillo HOA, and Center for Lands Management (CNLM). The remaining preserve lands are the responsibility of other public entities or private HOAs; are within Standards Areas for which projects have not been developed; or are in the process of management negotiations.

In many instances the preserve management entity for a given preserve area is pending or unknown. The reasons for this are (1) a proposed development project has not been finalized, (2) a developer or landowner is currently negotiating with a management entity to contract management services, (3) Standards Areas for which no project has been proposed, or (4) a property previously managed by The Environmental Trust (TET) that has not been acquired by another management entity. Figure 5 shows all preserves for which a management agreement is pending. Tables, 3, 4, and 5 show the *pending* management entities in parentheses.

Preserve Management Plan (PMP). The area-specific monitoring and management plan for a given preserve. The PMP is consistent with the PAR, which estimates the cost of management activities described in the PMP, and is required prior issuance of a project grading permit. Pre-HMP preserves are generally not required to prepare a PMP, unless stipulated in previously negotiated agreements with the Wildlife Agencies, or the



landowner is a signatory to the Implementing Agreement (i.e., CDFG).

Annual Reports. The first area-specific annual report is due within 12 months of the start of preserve management (i.e., when all of the above criteria have been met and as determined by the Preserve Manager and the City). Subsequent annual reports will be due in early October to facilitate compilation of HMP-wide annual report by the City and Preserve Steward. Pre-HMP preserves are generally not required to prepare annual reports unless stipulated in previously negotiated agreements with the Wildlife Agencies, or the landowner is a signatory to the Implementing Agreement (i.e., CDFG).

## **2.2.2 The Environmental Trust (TET) Properties**

Prior to March 2005, The Environmental Trust (TET) managed several preserves in the City; however, after filing for Chapter 11 bankruptcy on March 23, 2005, the company no longer held this responsibility. TET was initially organized as a California non-profit organization on Oct 15, 1990 for the purpose of managing protected lands. At its peak, TET managed approximately 4,600 acres of land within San Diego County (McClure, 2005). Much of the associated endowment money, which was used to fund preserve management, was invested in the stock market. It is believed that a combination of poor fiscal management and a downturn in the stock market in the late 1990's resulted in insufficient money to fund the obligations that TET agreed to provide (Lee, 2005). However, regardless of the problems with the investment strategy, the Wildlife Agencies feel that the initial funding set aside by TET for management purposes was insufficient to begin with, and therefore, adequate endowments were never provided for the HMP preserves (D. Mayer, CDFG, pers. comm.).

TET was contracted to manage seven preserves in Carlsbad: the Batiquitos Lagoon Parcel, Bressi Ranch, Brodiaea Preserve, Calavera Heights Mitigation Site, Calavera Hills Phase II (the management agreement was not finalized), Encinitas Wetlands and Summit (Table 7). All areas set aside for preservation remain protected by Open Space zoning and/or Conservation Easements. Each property has been or will be offered to the following entities, in this order: (1) original landowner, (2) City, (3) Wildlife Agencies, and (4) non-profit land management organizations. Only a portion of the original endowment will come with the land, which will impact the future levels of management and monitoring until additional funds become available through grants or a regional funding source.

**Table 7. Current Status of TET Properties**

| Property                           | APN  | Current Status   |
|------------------------------------|--|--|
| Batiquitos Lagoon Parcel           | 216-140-39   | Located between State Lands Commission and CalTrans properties and will likely be managed by the CDFG as part of their management of Batiquitos Lagoon.  |
| Bressi Ranch                       | 213-121-04   | HCC has submitted PARs (Aug-05, Jul-06, Mar-07) and a CE, which are currently under negotiation.   |
| <i>Brodiaea filifolia</i> Preserve | 212-050-46   | CDFG expected to take ownership of the property. Property will likely be managed by CDFG or CNLM.  |
| Calavera Heights Mitigation Site   | 168-050-01<br>168-040-31   | CDFG will take ownership of the property.  |
| Calavera Hills Phase II            | 167-101-19<br>168-303-08<br>168-310-07<br>168-310-08<br>168-311-02<br>168-311-03 | This property will be owned by Calavera Hills LLC, c/o The Corky McMillan CO; Calavera Hills Master HOA; Calavera Hills II HOA, and Robertson Ranch HOA. It will be managed by CNLM. CE, management contract, and endowment are all in place (May 17, 2006). |
| Encinitas Wetlands                 | 211-040-33   | TET held Conservation Easement; parcel owned by Westmark Development. The parcel is adjacent to the North County Habitat Bank and it will likely be managed as part of this property by CNLM.  |
| Summit (aka Kelly-Bartman)         | 167-030-79   | CDFG currently considering taking ownership of the property, as it is adjacent to the Sherman Property, which is currently managed by CNLM.  |

### 2.2.3 Mitigation Banks and City Mitigation Parcel

A mitigation bank is a site on which upland and/or wetland habitat is preserved, restored, or created to serve as compensation for project-related impacts to sensitive natural communities or sensitive species. Mitigation credits, in the form of preserved land within the mitigation bank, may be purchased by the landowner of a project site at a ratio consistent with HMP Table 11. Mitigation banking encourages the consolidation of protected parcels into larger, contiguous blocks rather than preserving smaller, isolated fragments. Larger blocks of habitat are essential to the survival of sensitive species, such as the federally threatened coastal California gnatcatcher (*Poliophtila californica californica*), by providing enough space for breeding, foraging, and the establishment of territories; by providing avenues for wildlife movement and genetic flow; and by reducing edge effects.

Two mitigation banks and one City mitigation parcel have been or are in the process of being established within the HMP area (Table 8). Credits from the Carlsbad Highlands Mitigation Bank are sold out, and the property is now being managed by CDFG as part of the Carlsbad Highlands Ecological Reserve. The North County Habitat Bank consists of 15.7 acres of wetland/riparian credits that have been available since May, 2007. The



City-owned Lake Calavera Municipal mitigation parcel will provide mitigation only for City projects. Credits will be deducted on an acre-for-acre basis for all upland habitat impacts except for gnatcatcher-occupied coastal sage scrub, southern maritime chaparral, maritime succulent scrub, and wetlands as needed for City project-related impacts. No credits will be sold to outside entities. Because this parcel was identified as a “mitigation bank” in the HMP and the First Annual Report, it is included in Table 5. However, after discussing the need for a standard mitigation banking agreement with the Wildlife Agencies, it was determined by all parties that a banking agreement was not necessary for the following reasons: (1) mitigation within the parcel will be used as needed only for City project-related impacts; (2) mitigation credits will be deducted on an acre-for-acre basis; (3) no credits will be sold to outside entities; and (4) mitigation, as described in (1) – (3) above is allowed under current regulations. Therefore, this parcel will no longer be referred to as a “mitigation bank”.

**Table 8. Current Status of Mitigation Banks and Parcel**

| <b>Mitigation Bank</b>                    | <b>Current Status</b>  | <b>Description and Notes</b>  |
|---|--|---|
| Carlsbad Highlands Mitigation Bank        | <u>Landowner</u> : CDFG<br><u>Preserve Manager</u> : CDFG<br><u>Debits/Credits</u> : credits sold out<br>Now part of the larger Carlsbad Highlands Ecological Reserve.   | Approx 180 acres of coastal sage scrub. Multi-species credits were sold to mitigate for upland impacts throughout the NCCP plan area of San Diego County, including coastal areas.  |
| North County Habitat Bank                 | <u>Landowner</u> : Westmark Development<br><u>Preserve Manager</u> : CNLM as of 2007<br><u>Debits/Credits</u> : Credits have been available for sale since May 2007.<br>The Planning Commission approved the Conditional Use Permit to create the mitigation bank on September 7, 2005. Mitigation Bank Agreement has been signed; Conservation Easement and Endowment in place. | An 18.7-acre parcel that consists of approximately 15.7 acres of wetland and riparian habitat that can be sold as mitigation credits for impacts from development projects in the coastal North County area.  |
| Lake Calavera Municipal Mitigation Parcel | <u>Landowner</u> : City of Carlsbad<br><u>Preserve Manager</u> : CNLM (pending)<br><u>Debits/Credits</u> : 82.6 mitigation credits have been pre-debited from the bank for City projects, and 183.5 acres remain. A Conservation Easement, Preserve Management Plan, and financial guarantees for management and monitoring will be required.                                    | Approx. 266-acres set aside by the City to serve mitigation parcel for municipal projects. Credits will be deducted on an acre-for-acre basis <sup>1</sup> as needed for City project-related impacts. No credits will be sold to outside entities. Because this parcel will only be used for City project mitigation, and the mitigation program was included in the HMP, the Agencies have given the City approval to debit mitigation credits prior to completing Agency requirements. A total of 3.04 acres has been debited for City projects since approval of the HMP (Table 9). |

<sup>1</sup> Except for gnatcatcher-occupied coastal sage scrub, southern maritime chaparral, maritime succulent scrub, and wetlands which require a higher mitigation ratio.

Currently, the City is working with CNLM and the Wildlife Agencies to complete a preserve management plan, secure the financial guarantee for management and monitoring in perpetuity, and to record a Conservation Easement for this parcel. Because this parcel will only be used for City project mitigation and credits will not be sold to private entities, and because the mitigation program was described in the HMP and IA, the Wildlife Agencies have given the City approval to debit mitigation credits (Table 9) prior to fulfilling the Wildlife Agency requirements mentioned above provided that all parties work diligently on fulfilling all of the requirements. It is anticipated that these requirements will be met by Fiscal Year 2008/2009.

**Table 9. Mitigation Acreage Provided at Lake Calavera Mitigation Parcel**

| <b>Credits and Debits</b>                               | <b>Acres<sup>1</sup></b>         |
|---|----------------------------------|
| <i>INITIAL CREDITS</i>                                  | <i>266.1</i>                     |
| Pre-HMP Deductions (Prior to Nov 2004)                  |                                  |
| 1. 100-ft wide fire break on N boundary                 | 17.6                             |
| 2. Police shooting range                                | 10.0                             |
| <i>Subtotal pre-HMP debits</i>                          | <i>27.6</i>                      |
| Year 1 Project-Related Deductions (Nov 2004 – Oct 2005) |                                  |
| 1. Municipal Golf Course                                | 20.0 (+ 2 pr CAGN <sup>2</sup> ) |
| 2. Hub park   | 10.0                             |
| 3. South Agua Hedionda Sewer Interceptor                | 0.2                              |
| 4. Approved Future Projects                             |                                  |
| a) Water District Projects (see HMP Appendix B)         | 22.0                             |
| 5. Lake Calavera Remedial Improvements                  | 1.5                              |
| <i>Subtotal Year 1 debits</i>                           | <i>53.7</i>                      |
| Year 2 Project-Related Deductions (Nov 2005 – Oct 2006) |                                  |
| None  |                                  |
| <i>Subtotal Year 2 debits</i>                           | <i>0</i>                         |
| Year 3 Project-Related Deductions (Nov 2006 – Oct 2007) |                                  |
| 1. Fire Station No. 6                                   | 0.8                              |
| 2. Rancho Carrillo Citywide Trail                       | 0.2                              |
| 3. Hosp Grove Drainage Project                          | 0.04                             |
| <i>Subtotal Year 3 debits</i>                           | <i>1.04</i>                      |
| <i>Total Debits</i>                                     | <i>82.3</i>                      |
| <b>TOTAL ACRES AVAILABLE AS OF OCTOBER, 2007</b>        | <b>183.8</b>                     |

<sup>1</sup> Rounded to the nearest tenth of an acre.

<sup>2</sup> CAGN = California gnatcatcher

## 2.2.4 Wildlife Movement Corridors and Crossings

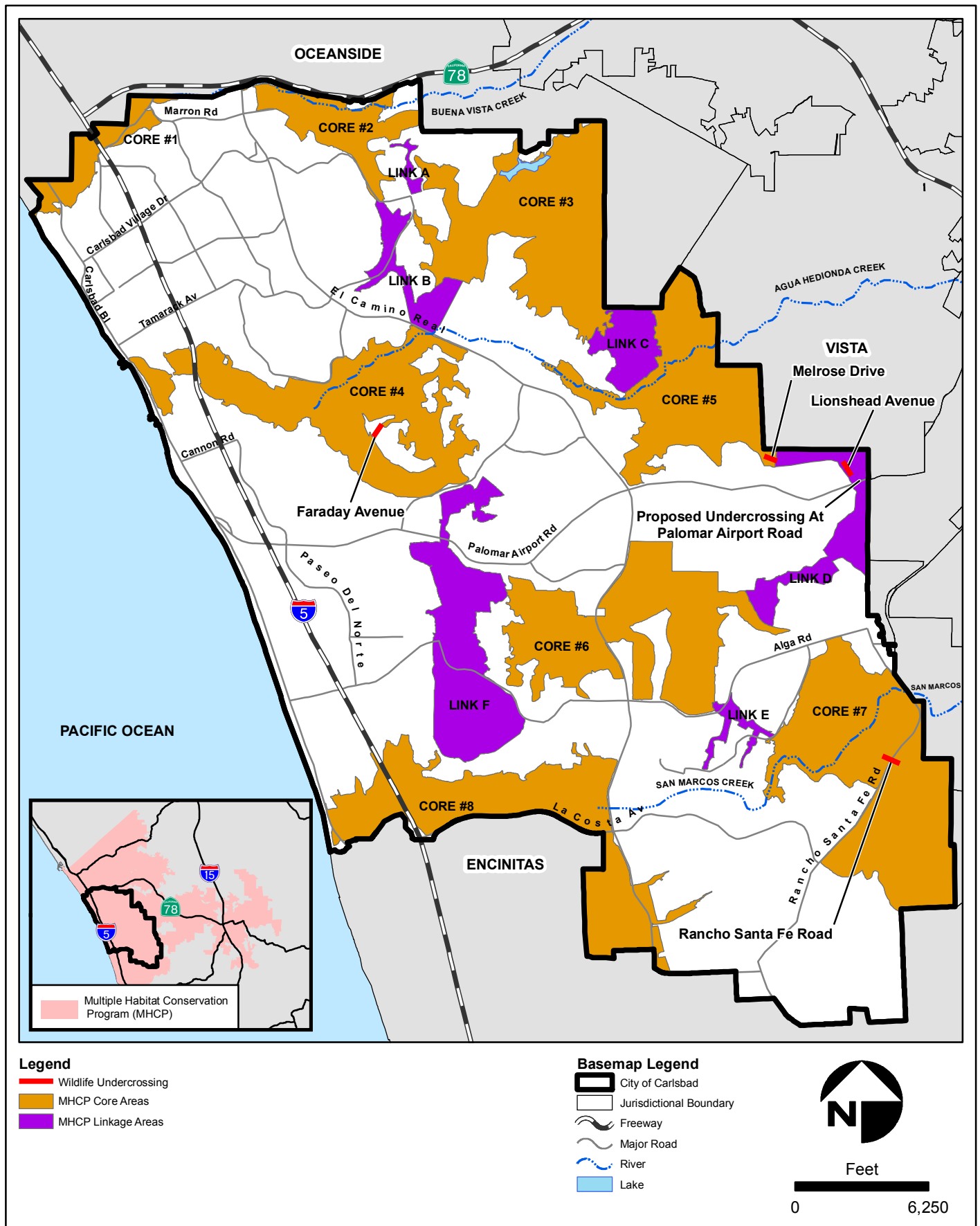
The MHCP Focused Planning Area (i.e., the areas of highest priority for conservation consisting of core habitat and habitat linkages) was developed to accommodate regional wildlife movement. The California Gnatcatcher Core Area, discussed in more detail below, Core Areas 1 – 8, and HMP Linkages A – F were included in this planning effort

(Figure 6). To support wildlife movement in these areas, wildlife-friendly undercrossings are occasionally required as a condition of approval for new development projects to ensure continued functionality of the HMP Linkages and to reduce road-kill mortality. Four such undercrossings have been built: under Rancho Santa Fe Road, Lionshead Avenue, Melrose Drive, and Faraday Avenue. The current status of the major wildlife movement corridors and existing crossings in the HMP preserve area is summarized in Table 10. An additional undercrossing is currently being considered by the City and Wildlife Agencies at Palomar Airport Road, just west of Business Park Drive (between Core Area #5 and Linkage D). The City collected approximately \$360,000 in mitigation fees from the Forum and Raceway projects. These funds will be used either to build the undercrossing if it is considered feasible and ecologically functional, or to acquire habitat within the Gnatcatcher Core Area.

**Table 10. Current Status of Wildlife Movement Corridors and Existing Crossings**

| <b>Corridor/Crossing<sup>1</sup></b>   | <b>Description</b>  | <b>Current Status</b>   |
|--|---|---|
| HMP Linkages A-F and associated projects<br>A - Calavera Hts Village K, EH<br>B - Roberston Ranch, SA<br>C - Mandana; Holly Springs/Cantarini; Kato (no current action)<br>D - Carlsbad Raceway; Bressi, EH<br>E - EH; No current projects<br>F - NC Calvary Chapel; Emerald Pt Estates; golf course, EH | Habitat linkages identified in the HMP that serve as wildlife movement corridors between core habitat areas (HMP Figure 4). | Linkage Status<br>A- Entire linkage conserved<br>B- Built out consistent with HMP (RR final map approved)<br>C- Built out except for Kato and Mandana properties<br>D- Built out<br>E- Mostly built out<br>F- Built out except for a few Standards Area properties. |
| Rancho Santa Fe Road undercrossing   | Roadway undercrossing located within the Villages of La Costa Preserve Area.  | In place – management performed by CNLM and City.   |
| Lionshead Avenue undercrossing   | Roadway undercrossing located within the Carlsbad Raceway industrial development.   | In place – management performed by local Owner's Association until PM secured.  |
| Melrose Drive undercrossing  | Roadway undercrossing located within the Carlsbad Raceway industrial development.   | In place – management performed conjointly with Lionshead undercrossing.  |
| Faraday Avenue undercrossing   | Roadway undercrossing located at Veteran's Memorial and Hub Park.   | In place – management performed by City.  |

<sup>1</sup> EH = Existing Hardline; SA = Standards Area



### **2.2.5 Status of Carlsbad's Gnatcatcher Core Area Obligation**

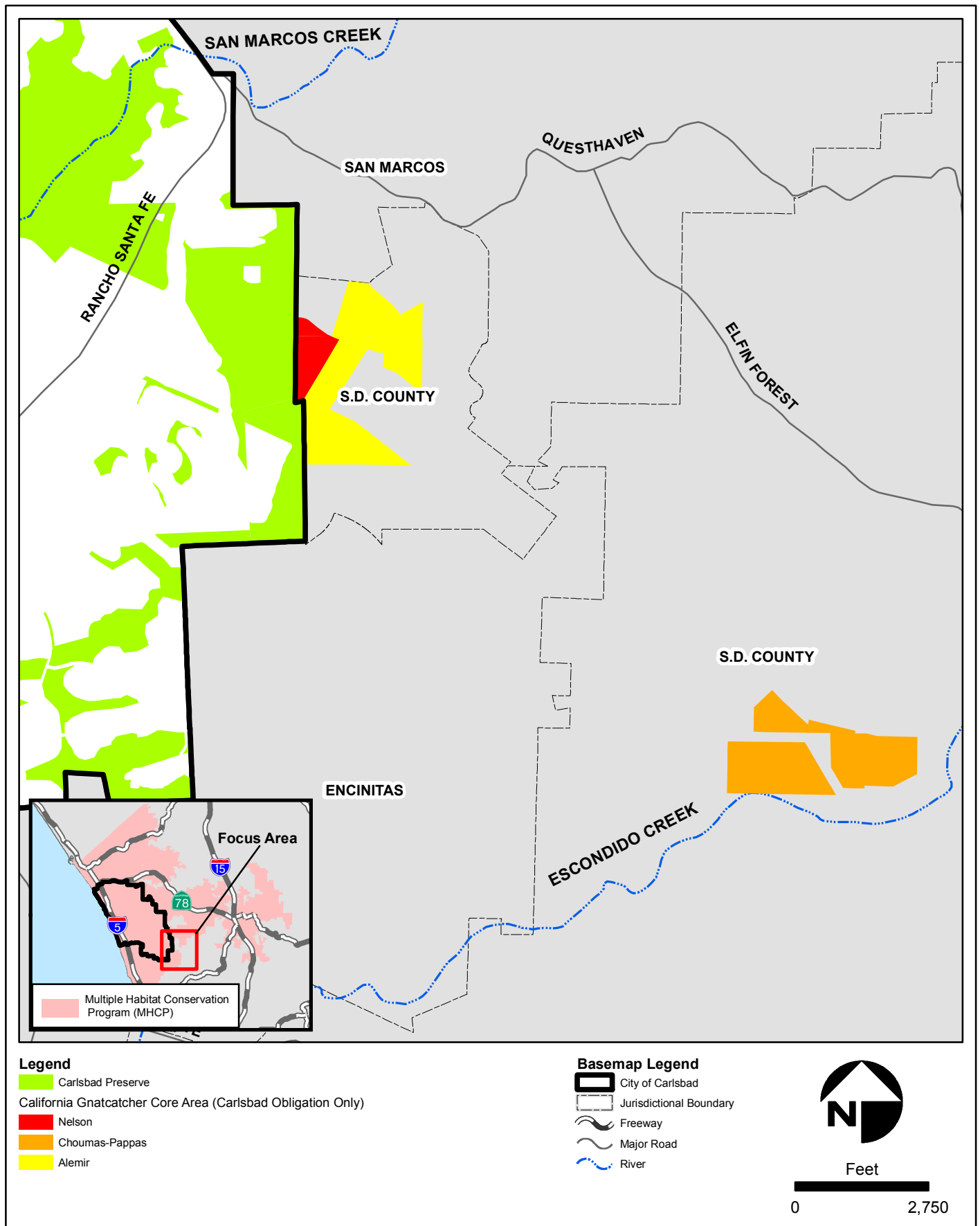
A biological analysis conducted for the MHCP determined that a large core breeding area was needed in the MHCP planning area in addition to a functional north-south movement corridor to ensure the long term viability of the federally threatened California gnatcatcher in northwestern San Diego County (MHCP 2003). A 400 to 500-acre Gnatcatcher Core Area was proposed for conservation in the unincorporated area adjacent to the MHCP, southeast of Carlsbad, which would be assembled by various MHCP jurisdictions. Located within a regionally important stepping-stone movement corridor, the California Gnatcatcher Core Area would facilitate movement of scrub-adapted birds from the southern part of San Diego County, through the MHCP planning area, and northward to Camp Pendleton and Orange and Riverside Counties. It would also function as a core gnatcatcher breeding area, which would provide a regular source of dispersing birds.

Because the amount of high quality coastal sage scrub habitat within the City was deemed inadequate to satisfy take permit conditions, the Wildlife Agencies agreed to let the City fulfill this obligation by conserving 307.6 acres of land within the Gnatcatcher Core Area. To date, 264.75 acres of this obligation have been met (with approval of the Wildlife Agencies) through up-front acquisitions, project-related mitigation, and credit for habitat restoration within the City, leaving 43 acres that must still be acquired and conserved by the City (Table 11). However, the City must also reimburse the cost of the up-front acquisitions (50.3 acres, see explanation below). Lands within the Gnatcatcher Core Area are currently being managed by CNLM as part of the Rancho La Costa Open Space Preserve (Figure 7).

**Table 11. Status of Carlsbad HMP Gnatcatcher Core Area Obligation**

| Core Area Components  | Acres        |               |
|---|--------------|---------------|
|   | Components   | Total         |
| <b>TOTAL CORE AREA CONSERVATION REQUIREMENT</b>   |              | <b>307.6</b>  |
| <b>1. Up-front Acquisition</b>  |              |               |
| La Costa Villages –land in excess of mitigation requirements<br>(cost to be reimbursed by the city) | 50.13        |               |
| <i>Subtotal Up-front Acquisition</i>  |              | <i>50.13</i>  |
| <b>2. Project-Related Mitigation<sup>1</sup></b>  |              |               |
| <i>Parcel 1 – Villages of La Costa - Alemir</i>   |              |               |
| Villages of La Costa  | 39.39        |               |
| Bressi Ranch  | <u>24.50</u> |               |
| Subtotal Parcel 1   | 63.89        |               |
| <i>Parcel 2 – Villages of La Costa – Choumas Pappas</i>   |              |               |
| City of Carlsbad Municipal Golf Course  | 51.60        |               |
| Villages of La Costa – HCP Cost Share   | 5.50         |               |
| Palomar Forum   | 4.90         |               |
| Villages of La Costa – Other  | <u>4.06</u>  |               |
| Subtotal Parcel 2   | 66.06        |               |
| <i>Parcel 3 – Rancho Carrillo Mitigation - Nelson</i>   |              |               |
| Rancho Carrillo   | <u>20.31</u> |               |
| Subtotal Parcel 3   | 20.31        |               |
| <i>Subtotal Project-Related Mitigation</i>  |              | <i>150.26</i> |
| <b>3. Onsite Conservation Restoration Credits</b>   |              |               |
| Villages of La Costa (Canyons Network Settlement)   | 23.79        |               |
| Additional Carlsbad Golf Course Restoration   | 15.40        |               |
| Additional Citywide Miscellaneous Adjustments   | <u>25.00</u> |               |
| <i>Subtotal Onsite Credits</i>  |              | <i>64.19</i>  |
| <b>Total Acres Conserved</b>  |              | <b>264.58</b> |
| <b>REMAINING ACQUISITION REQUIREMENT</b>  |              | <b>43.02</b>  |

<sup>1</sup> The parcel name refers to the parcel within the Core Area that provided the land that was conserved. Project names underneath each parcel refer to projects within the City of Carlsbad that satisfied off-site habitat mitigation requirements by purchasing land (via a conservation easement) from Parcel 1-3 developers, providing a non-wasting management/monitoring endowment, and procuring a Preserve Manager.



## Gnatcatcher Core Area Components (other MHCP jurisdictions not included)

1. Upfront acquisitions (50.3 acres) – Land in excess of the La Costa Villages Project mitigation requirements that were purchased by the developer (Lennar) in anticipation of the HMP Core Area requirements. The City has agreed to reimburse the cost of this land using in-lieu mitigation funds. A reimbursement agreement will be processed once negotiations are completed

*In-Lieu Habitat Mitigation Fee Program.* Under certain conditions, project impacts that occur outside of the HMP preserve area may be mitigated through a fee, rather than onsite land conservation. Approximately \$765,370 in fees have been collected as of November, 30, 2007 (Table 12). A detailed accounting of these fees is given in Section 4 (Financial Summary).

**Table 12. Gnatcatcher Core Area Activity through October 2007**

| Reporting Year               | Acres from Project Mitigation | In-lieu Mitigation Fees Collected <sup>1, 2</sup> | Fees Used by City | Future Use of Mitigation Fees    |
|------------------------------|-------------------------------|---|-------------------|----------------------------------|
| Pre-HMP (before Nov 2004)    | 150.26                        | \$461,894   | None              | Reimbursement, then acquisition. |
| Year 1 (Nov 2004 – Oct 2005) | 0                             | \$15,333  | None              | “                                |
| Year 2 (Nov 2005 – Oct 2006) | 0                             | \$38,661  | None              | “                                |
| Year 3 (Nov 2006 – Oct 2007) | 0                             | \$249,482   | None              | “                                |
| <b>TOTALS</b>                | 150.26                        | \$765,370   | None              | “                                |

<sup>1</sup> Mitigation fees may be collected in-lieu of onsite mitigation for project impacts under certain conditions (see HMP for details). These fees will be used to fulfill the City's Gnatcatcher Core Area Obligations.

<sup>2</sup> A detailed accounting of mitigation fees is given in Section 4 (Financial Summary).

2. Project-related mitigation (150.3 acres). Prior to HMP approval, several projects within the City of Carlsbad mitigated project-related habitat impacts by acquiring Conservation Easements on land within the Gnatcatcher Core Area. Table 11 shows a breakdown of this project-related mitigation. Projects requiring off-site mitigation are listed under the parcel in which the land was conserved. Parcel names refer to the developments within the Core Area that provided the land for conservation. In other words, (a) the developers of Parcels 1-3 set aside land for conservation, (b) projects outside of the Core Area in need of off-site habitat mitigation were able to purchase mitigation credits from the developers within



Parcels 1-3, and (c) as a condition of approval, the off-site projects established a non-wasting endowment and procured a Preserve Manager for the conserved land.

3. Credits for enhanced habitat within the City (64.2 acres). Enhancement credits included onsite preservation, preserve enhancement, and revegetation projects that were approved by the Wildlife Agencies prior to HMP finalization.
4. Land to be acquired (43.0 acres). In-lieu mitigation fees will be used to purchase the remaining acres after all reimbursement obligations have been met (Table 11). As described in the Biological Opinion (BO) prepared by the U.S. Fish and Wildlife Service for the HMP, credit towards the MHCP core area obligation was given for increased preservation within the City beyond that identified in the approved HMP, and credit for additional preservation of coastal sage scrub within the City can be considered for the core area obligation in the future (USFWS 2004).